

Grants to Unincorporated Communities

Department of Community and Economic Development

Program 10

I. PROGRAM OBJECTIVES

Authorized under AS 37.05.317, these grants are made at the discretion of the Legislature. The grants are designated by the Legislature for a specific project or activity in a specific unincorporated community.

II. PROGRAM PROCEDURES

Following enactment of the authorizing legislation, the department determines the entity within the community, which is most capable of administering and completing the project. The Department then executes a grant agreement with the entity, which specifies the project to be undertaken.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

There are no specific regulations governing the administration of these grants. All compliance requirements and suggested audit procedures must be based upon specific provisions of the grant agreement.

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

Grant funds can be expended for a variety of purposes as provided for in the authorizing legislation and as specified in the grant agreement.

Suggested Audit Procedure

- Test expenditure and related records.

B. ELIGIBILITY

The auditor is not expected to make tests for recipient eligibility.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

Compliance Requirement

Any matching, level of effort and/or earmarking requirements will be established by the Legislature and identified in the grant agreement. Most legislative grants to unincorporated communities will not require a match.

Suggested Audit Procedure

- Review the grant agreement, identify any matching, level of effort and/or earmarking requirements, and verify that requirements were met.

D. REPORTING REQUIREMENTS

Compliance Requirements

The grant agreement will specify the reporting requirements to which the grantee must adhere.

Suggested Audit Procedures

- Examine copies of the reports and determine completeness of submission in accordance with the grant agreement.
- Trace data in selected reports to underlying documentation.

E. SPECIAL TESTS AND PROVISIONS

Compliance Requirement

Grant activities must occur within the start and end dates of the grant agreement and any amendments.

Suggested Audit Procedures

- Review the grant agreement and any amendments and review grant related activities to verify they were within the end and start dates.

Compliance Requirement

Site control must be demonstrated for capital projects, facilities, or other forms of property that are built, acquired, or used in capital projects.

Suggested Audit Procedures

- Review documentation maintained by the grantee in support site control for the capital project, facility or other form of property, and verify the documents demonstrate adequate control to allow the grant activities.

Compliance Requirements

The grant agreements often contain specific provisions to which the grantee must adhere.

Suggested Audit Procedure

- Review the grant agreement, identify any special provisions or requirements, and verify that they were met.

Modified 5/00